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PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: **Sau-Gee Chen and Chieh-Chih Li**

Patent Application No.: 08/510,740

Filed: August 2, 1995

For: "METHOD FOR FINDING QUOTIENT IN A DIGITAL SYSTEM"

Attn: Bruce H. Stoner
Chief Administrative Patent Judge

Our Ref: (615179-4/RPB) B-2750

Date: November 15, 2001

Re: LETTER TO THE BOARD OF APPEALS

Subject: Request for Reconsideration/Clarification Filed by Stephen G. Kunin in Connection with the Application Noted Above and Appeal No. 1997-3424

Dear Judge Stoner:

We are in receipt of a letter dated September 28, 2001, signed by Stephen G. Kunin, the Deputy Commissioner for Patent Examination Policy, which is addressed to yourself which seeks reconsideration and/or clarification of the Boards decision in connection with the Application identified above.

For the record, it is asserted that the Request for Reconsideration is non-statutory and indeed violates the separation powers principle set forth in the United States Constitution. The rules of practice make it abundantly clear that only the Applicant (the Appellant) has the right to request reconsideration of a decision of the Board of Appeals. Please see 37 C.F.R. 1.197(b). It is noted that MPEP Section 1214.04 suggests that the Examiner may request re-hearing of a Board decision. However, that provision is at odds with the rule set forth at 37 C.F.R., 197(b). Moreover, since the MPEP is not adopted pursuant to the Patent Office's rule making authority granted under 35 U.S.C. § 6 and 5 U.S.C. § 553, the MPEP carries no weight. The Commissioner's attempt to give himself the ability to request reconsideration by a provision set forth in the MPEP violates 35 U.S.C. § 6 and 5 U.S.C. § 553. If the Commissioner wishes to adopt rules and regulations, he may do so, but only pursuant to the rule making ability set forth

in 5 U.S.C. § 553. The MPEP has not been adopted pursuant to the rule making authority granted in 5 U.S.C. § 553. The rules of practice, which presumably have been adopted pursuant to 5 U.S.C. § 553, make it clear that the Commissioner has no right to request reconsideration of a decision of the Board of Appeals. As such, the request for reconsideration should be denied as having no statutory basis.

The September 28, 2001 letter demonstrates a continuing hostile attitude by the United States Patent and Trademark Office with respect to computer related inventions. More importantly, the analysis set forth in the September 28, 2001 letter completely misses the point of the *State Street* decision and demonstrates a painfully obvious miscomprehension of how the Federal Judiciary works.

First consider the Deputy Commissioner's assertion that "If one were to accept the proposition as stated by the Board, there would have been no need for the *State Street* decision in the first place, because there was no dispute that the invention used a programmed computer". Of course there was a need for the *State Street* decision. Just ask the parties to the lawsuit which resulted in the *State Street* decision. The *State Street* decision is unabashably in favor of protecting computer related inventions by the issuance of patents. When the Federal Judiciary decides an issue, it tends to decide the issue on as narrow a basis as possible. The Federal Judiciary has issued a long string of cases supportive of patent protection for computer-related inventions ever since the landmark decision in *Diamond v. Chakrabarty* (144 U.S. 303) wherein, in connection with a decision regarding the patentability of a new life form, the court took note of the fact that Congress plainly contemplated that the patent laws would be given a wide scope so as to include "anything under the sun that is made by a man". Of course, programmed computers are "made by man" and therefore are clearly patentable in accordance with the Supreme Court's decision in *Diamond v. Chakrabarty*.

The subsequent decisions, including the *State Street* decision, are further cases supportive of the patentability of software related inventions. Their decisions are not to be read narrowly in view of the broad decision already made by the Supreme Court in *Diamond v. Chakrabarty*. The argument made by the Deputy Commissioner is pure legal sophistry in that the Deputy Commissioner takes the position that unless the invention to be protected in the present patent application falls within all of the words set forth by the court in the *State Street* decision, then the invention must be non-statutory. Nothing is further from the case. The *State Street* decision stands for the proposition of what is patentable. Just because some invention does not fall within the bounds of *State Street*, it does not render it non-patentable. The *State Street* decision stands for what is patentable, and not for the opposite proposition, because the Federal Judiciary, when making decisions, tends to make them on as narrow a basis as possible. It is sufficient that software related inventions fall within the bounds of *State Street*, but it certainly is not a necessary condition that it do so in order to pass master under 35 U.S.C. § 101.

The same thing can be said for the *ATT v. Excel Communication Inc.* case cited by the Deputy Commissioner. It is an expansive decision, unabashably in favor of protection of computer related inventions by means of patents. The *ATT v. Excel Communication Inc.* stands for what is patentable, and not for the opposite conclusion which the Deputy Commissioner tries to draw therefrom.

Finally, let us turn to the Deputy Commissioner's discussion of the equation x =2y. The Deputy Commissioner is concerned that if the equation is solved by a programmed computer, it becomes statutory in terms of patent protection. The Deputy Commissioner misreads the Board's decision. While the equation x = 2y is well known in the prior art, it is not a method of doing anything! The Deputy Commissioner's argument is a red herring. Indeed, the Deputy Commissioner's approach reminds one of the stance taken by the European Patent Office in requiring that software related inventions have a technical effect. The Deputy Commissioner's

desire for concreteness tangibility and can only bring the United States to the same quagmire that the European Patent Office finds itself in. Luckily, the prosecution against software related inventions was only judge made law and not written into our patent law as the European's foolishly did. The courts have recognized their error and are retreating back to the safe haven of 35 U.S.C. § 101, i.e., to the usefulness standard.

In the present Application, the Examiner cites no art against the claims, and therefore the Patent Office concedes that the claims of this Patent Application are clearly inventive *vis-a-vis* the prior art. The invention is clearly useful, since it permits a digital processing system to operate in a faster and more efficient manner when performing certain types of operations, particularly, operations involving finding a quotient from a divisor and a dividend. If the Inventor's inventions were related to additional hardware to speed up the division process or hardware which permitted the processor to run more quickly, apparently the Patent Office would have no compunction about issuing a patent on that sort of invention provided that it met the requirements of 35 U.S.C. §§ 102 and 103. The present invention, which obviously meets the requirements of 35 U.S.C. §§ 102 and 103, is deemed by the Patent Office to be unpatentable simply because it involves software techniques without reference to the usefulness of those software techniques.

The present invention is not directed to some abstract idea or law of nature, but rather to a mathematical concept which has been reduced to a practical application rendering it useful. In the Alappat decision (31 U.S.P.Q. 2d 1545 – C.A.F.C. 1994) the court stated that "unpatentable mathematical algorithms are identifiable by showing that they are merely abstract ideas constituting disembodied concepts or truths that are not "useful". The present invention is surely useful in speeding up a digital computer! Why does the Patent Office differentiate between a software related invention which speeds up a computer and a hardware related invention which speeds up a computer in terms of its analysis under 35 U.S.C. § 101? Both

inventions meet the test enunciated by the Supreme Court in the *Diamond v. Chakrabarty* decision noted above. Since the present invention is useful, it meets the statutory requirements of U.S.C. § 101.

The Deputy Commissioner's reliance on the *State Street* decision is misguided. If a concrete result is obtained, as was apparently the case in the *State Street* invention, that might be one indication of usefulness. However, there is nothing in the precedents governing this Board which requires that the results of a mathematical algorithm must be something like a concrete share value as occurred in the *State Street* invention. It is noted, in this connection, that U.S.C. § 101 does not make any reference to requiring that an invention produce something which is "concrete". If an invention does produce something which is concrete, then that might be evidence of usefulness. However, the statutory requirement is usefulness and the present invention clearly meets the statutory requirement. The current invention also clearly falls within the scope of patent protection as enunciated by the Supreme Court in the *Diamond v. Chakrabarty* decision and by the C.A.F.C. in the Alappat decision. The Deputy Commissioner's reasoning in his September 28, 2001 letter is clearly flawed.

In *ATT v. Excel Communication Inc.* (50 U.S.P.Q. 2d 1447 C.A.F.C. 1999), the Court states:

> Because § 101 includes processes as a category of patentable subject matter, the judicially – defined prescription against patenting of a "mathematical algorithm," to the extent such prescription still exists, is narrowly limited to mathematical algorithms in the abstract.

The Court recognizes that the law needs to "adopt to new and innovative concepts" and the Courts understanding of § 101 has changed "responsive to the needs of a modern world." The United States Patent and Trademark Office needs to come around to the same viewpoint and

stop taking a hostile attitude to this technology!

Since the United States Patent and Trademark Office continues to take a hostile attitude with respect to computer related inventions as evidenced by this Request for Reconsideration, the Board of Appeals is respectfully requested to publish its decision to help get the message that the Board is trying to convey to the Examiners. This Application should have gone to grant over five years ago and would have done so if the United States Patent and Trademark Office would take the Supreme Court's decision in *Diamond v. Chakrabarty* to heart.

The Commissioner is authorized to charge any additional fees which may be required or credit overpayment to deposit account no. 12-0415. In particular, if this response is not timely filed, then the Commissioner is authorized to treat this response as including a petition to extend the time period pursuant to 37 CFR 1.136 (a) requesting an extension of time of the number of months necessary to make this response timely filed and the petition fee due in connection therewith may be charged to deposit account no. 12-0415.

I hereby certify that this correspondence is being facsimile to the attention of John J. Love, Director, #2100 at the United States Patent and Trademark Office at 703-305-3719 and deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, Washington, D.C., 20231 on

November 15, 2001
(Date of Deposit)

RICHARD P. BERG
(Name of Applicant, Assignee or Registered Representative)

(Signature)

November 15, 2001
(Date)

Respectfully submitted,

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